



Kenya Dairy Sector Competitiveness Program

What is the Kenya Dairy Sector Competitiveness Program?

USAID's Kenya Dairy Sector Competitiveness Program (KDSCP) is helping to transform the Kenyan dairy industry into a globally competitive, regional market leader, with the overall goal of increasing smallholder household income through the sale of quality milk. The program is working to eliminate inefficiencies and lower production and processing costs throughout the dairy value chain, while at the same time ensuring that Kenyan milk can meet domestic and international quality standards. The program also targets women, youth, and HIV/AIDS-affected households as active participants.

Photo: KDSCP



Through KDSCP, Kenya's dairy farmers are increasing production, gaining better access to markets, and taking better care of the environment.

Project Duration and Budget

May 2008-April 2013

\$9 million

Who implements the Kenya Dairy Sector Competitiveness Program?

Land O'Lakes, Inc. International Development

www.idd.landolakes.com

Where does the Kenya Dairy Sector Competitiveness work?

Central and Rift Valley Provinces

What does the Kenya Dairy Sector Competitiveness Program do?

KDSCP conducts activities to increase the sector's competitiveness in the regional marketplace, encourage storage, packaging and safety standards, improve the policy and regulatory environment and foster better environmental stewardship. Specifically, the program is organizing small-scale farmers into dairy cooperatives and other community based organizations in order to increase their bargaining leverage and incomes. The program is also assisting those organizations to create processing plants and distribution systems, and aiding processors to create and market new value-added products such as flavored yoghurt.

Participating farmers are educated about ways to increase productivity, for example, by using high-quality formulated feeds and productivity-enhancing technologies like artificial insemination. In addition, trainings are held on ways farmers can maintain a green and clean environment; for example, trainings on disease control emphasize proper disposal of pesticide and medical waste, and the utilization of animal wastes for clean energy like biogas.

KDSCP is linking Small Business Organizations to inputs and services that will help them expand their businesses more quickly. In addition, the program links financial service providers directly with dairy farmers to facilitate lending and expanded investment in the sector overall.

How is Kenya Dairy Sector Competitiveness making a difference?

Since the beginning of the program in 2008:

- 283,821 households have benefited from KDSCP programming; 45.7% of all beneficiaries are women.
- In collaboration with the Kenya National Federation of Agricultural Producers, 638 biogas digesters have been constructed by project beneficiaries. Biogas is providing a clean and reliable source of power that is improving household efficiency—for example, by replacing fuel as the power source for chaff cutters.
- 971 business service providers, such as bookkeepers, have been linked to the participating dairy farmers.
- 50,323 farmers have benefited from increased linkages with financial institutions and have received loans to expand their businesses.
- 113,226 farmers have been trained in dairy management technologies. KDSCP reaches farmers

through agricultural shows, farmer field schools, demos and exchange visits.

- Impressive progress has been made in increasing income levels per household. From January-March 2012, monthly household income was reported at Ksh 10,219.06 (US\$ 127.74) per month--an increase of 208% from the baseline value of Ksh 2,043. The increase can be attributed to the increase in productivity, reduction in cost of production and increase in average price as a result of project interventions.

What key challenges does the Kenya Dairy Sector Competitiveness Program face?

High volatility in the price of milk has been a recent challenge for KDSCP and its beneficiaries. The inability of the dairy milk processors to absorb all the milk produced by farmers leads to non-collection of milk, low milk prices and delayed farmer payments.

Kenya Dairy Sector Competitiveness Program in action

Joyce Nduta Kinyanjui is a member of Ng'arua Dairy Farmers Cooperative Society. With assistance from KDSCP, she runs a monthly Livestock Farmer Field School on her plot; during a recent farmer field day held on her farm, roughly 100 dairy farmers attended the training.

Joyce owns two dairy cows, one heifer and four calves. "I used to own five dairy cows that used to give me a total of 5 liters per day. Through KDSCP intervention, I culled my animals and now have two dairy cows that give me a total of 30 liters per day. This shows that the productivity of my cows increased from 1 liter per cow a day, to 15 liters per cow per day."

The adoption of improved technologies, including using clean energy on her farm, has allowed Joyce to greatly increase her productivity and income. She is now using silage, has planted and harvests animal feeds like Boma Rhodes grass, Napier grass and Desmodium, and prepares feed with a chaff cutter. She is also using a biogas digester to enable her to generate clean energy for cooking and lighting her home.

For more information:

www.kdairyscp.co.ke

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Photo: Land O'Lakes International



With support from KDSCP, dairy farmer Joyce Nduta has begun using a biogas digester to generate clean and cheap energy for cooking.

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